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Services Division

Committee on China

Committee Minutes - 165th Meeting - 25 March 1958

D/S Representatives: [REDACTED] 25X1A9a

Guests: [REDACTED]

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The Committee discussed the following:

1. The Chinese Communists still face serious livestock problems. Although 1962 goals call for large increases in livestock numbers, they may not be achieved unless action to decrease livestock diseases and to improve breeding methods is taken. The livestock death rate has been high (in 1956 alone some 13 million hogs died of plague) and fertility rates lower than expected (in 1956, about 75 percent of the females failed to reproduce). Since the quality of farm work and the extension of the cultivated area are impeded by the lack of livestock, the Chinese probably will put extra effort into the improvement of this situation in the countryside. OFF USE

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[REDACTED] M/AG, x8616.

2. It is extremely difficult to see how the Chinese will have the productive and technical capability to produce "positively over 10 million tons of chemical fertilizers" in 1962. The difficulties to be overcome enroute to this surprising goal have not, for all appearances, yet been resolved; nor have supplementary investment plans to support this revision in production plans been announced. However, departing from conventional solutions, Peking on 18 March announced intentions to produce from many, new, small-scale plants, millions of tons of ammonium bicarbonate for use as a nitrogen fertilizer. This application of ammonium bicarbonate is a most unorthodox use of the product but it does have definite possibilities.

The fertilizer program, as it now appears, is a radical new approach to meeting China's acute fertilizer needs. Its feasibility is still uncertain since details of its implementation are not yet available. The impressive production goal of 5 to 7 million tons of chemical fertilizers which was recently revised drastically upward seemed unrealistic based on production of conventional types of nitrogen fertilizers by standard methods. Successful development of this new program, instituted

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by the newly appointed Vice-Minister of the Chemical Industry, enhances the likelihood of reaching the revised production goal of 10 million tons. If successful, the innovation will be the key to a rapid solution of China's shortage of nitrogen fertilizers. OFF USE.

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3. Communist China will have 15 cement plants with a total of over 7 million tons annual capacity under construction in 1958. Also, small standardized kilns having an annual capacity of 15,000 tons and 30,000 tons respectively will be installed at 100 sites this year. When these go into production in 1959 or thereafter they will add upwards of 2 million tons to annual output. The Chinese hope that this concentration of large, medium, and small plant construction will enable them to surpass Great Britain's cement production (which was 13.1 million tons in 1956) in five years "or a little longer." OFF USE.

4. According to a 13 March pronouncement, the construction schedule of the multipurpose water conservancy project underway at Sanmen Gorge has been accelerated and will be completed in 1961. This revision of plan compresses the construction period for this project from six to five years. OFF USE.

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Agenda:

1 April--Movies on Indonesia and the Philippines will be shown in the theater of Bldg. 14 at 1400.

8 April--Current items.

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Note: Effective this date [redacted] of S/TR will assume their duties as Chairman and Secretary, respectively, of this Committee.

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HR/S/CST: [redacted] :cw/4597(26 Mar 58)

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